



OFFICE OF AUDITOR OF STATE

STATE OF IOWA

David A. Vaudt, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

NEWS RELEASE

Contact: David A. Vaudt
515/281-5835
or Tami Kusian
515/281-5834

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Auditor of State David A. Vaudt today released a report on a special investigation of Iowa State University of Science and Technology (ISU). The report covers the period February 3, 2003 through December 7, 2005. The special investigation was performed as a result of concerns regarding the amounts billed to ISU by Hinders & Associates of Ames, Iowa. The concerns were initially identified by individuals within the ISU Facilities Planning & Management Department. After additional concerns were identified by personnel from the ISU Purchasing Department, an investigation was completed by ISU Public Safety and the Board of Regents' Office of Internal Audits.

Vaudt reported the special investigation was conducted at the request of the Attorney General's Office and identified \$402,837.97 of over-billings paid by ISU. The over-billings resulted from Hinders & Associates including 15,702.90 hours of labor that was not actually performed on invoices for ISU projects. The number of excess labor hours billed to ISU was determined by comparing the invoices to timesheets prepared and signed by Hinders & Associates' employees. The \$402,837.97 of over-billings was paid by ISU for invoices submitted between February 3, 2003 and August 31, 2005.

Vaudt also reported the procedures identified 1,104.25 excess labor hours billed to ISU between September 1, 2005 and December 7, 2005. The amount billed to ISU for the 1,104.25 excess labor hours totaled \$28,535.64. However, ISU has not paid the bills containing these excess labor hours.

In addition, Vaudt reported the contracts established between ISU and Hinders & Associates allowed for three or more hourly rates, based upon employee classifications. However, Hinders & Associates billed all labor hours at the highest hourly rate allowed by the contracts. Because it is not expected every employee working on ISU projects would be a Foreman or Journeyman, Vaudt stated it was not reasonable for every employee to be billed at the highest hourly rate allowed by the contracts. Because appropriate employee classifications could not be determined using documentation available, Vaudt reported additional amounts over-billed to ISU could not be readily determined.

Vaudt also reported the number of excess hours identified does not include any time billed to ISU for time spent on projects by Tom Hinders, the owner and proprietor of Hinders & Associates. Mr. Hinders did not prepare timesheets. As a result, it was not possible to compare the amount of his time billed to ISU to a source document. However, the number of hours billed to ISU for Mr. Hinders did not appear unreasonable.

Copies of the report have been filed with the Story County Attorney's Office, the Attorney General's Office, the ISU Department of Public Safety and the Division of Criminal Investigation. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/specials/specials.htm>.

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**SPECIAL INVESTIGATION OF
IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY
DEPARTMENT OF FACILITIES PLANNING & MANAGEMENT

FOR THE PERIOD
FEBRUARY 3, 2003 THROUGH DECEMBER 7, 2005**

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Auditor of State's Report

To the Members of the Board of Regents:

In September 2005, officials of Iowa State University of Science and Technology (ISU) identified concerns regarding certain payments made to and billings submitted by Hinders & Associates, a local contractor periodically engaged by ISU to provide construction services. As a result of those concerns, the Board of Regents' Office of Internal Audits, in conjunction with the ISU Department of Public Safety, reviewed payments made to Hinders & Associates, as well as billings submitted by the contractor but not yet paid. After the Office of Internal Audits completed its review, a report was prepared and submitted to the Board of Regents.

We have reviewed the work completed by the Office of Internal Audits to determine the completeness and accuracy of the amount identified in the report submitted to the Board. At the request of officials of the Attorney General's Office, we have compiled our findings in this report. Using information obtained from the Office of Internal Audits and officials of ISU, we have applied certain tests and procedures to payments made to Hinders & Associates for the period February 3, 2003 through December 7, 2005. Based on a review of relevant information and discussions with personnel from the Office of Internal Audits and ISU officials, we performed the following procedures.

- (1) Compared invoices and related documentation submitted to ISU by Hinders & Associates to timesheets prepared and signed by the vendor's employees. The timesheets were obtained from Hinders & Associates by personnel from the Office of Internal Audits and ISU Public Safety officials. Personnel from the Office of Internal Audits compared information from every invoice to timesheets prepared and signed by the vendor's employees. We reperfomed this test for a sample of the invoices reviewed by Internal Audits personnel.
- (2) Determined if the excess labor hours billed to ISU and the related costs were properly calculated by personnel from the Office of Internal Audits.
- (3) Reviewed the workpapers prepared by personnel from the Office of Internal Audits, as well as documents obtained from Hinders & Associates. We also reviewed conclusions reached by personnel from the Office of Internal Audits.
- (4) Reviewed the report prepared by personnel from the Office of Internal Audits summarizing their findings.
- (5) For invoices submitted to ISU by Hinders & Associates from June 25, 2003 through October 9, 2003 and August 5, 2005 through August 25, 2005, we traced the cost of materials purchased for projects at ISU to vendor invoices to determine if any costs were duplicated. We also identified any sales tax paid by ISU for the materials purchased.

The procedures identified \$402,837.97 of over-billings paid by ISU between February 3, 2003 and August 31, 2005. The over-billings resulted from Hinders & Associates including 15,702.90 hours of labor on invoices for ISU projects that were not actually performed. In addition, the procedures identified 1,104.25 excess labor hours billed to ISU during the period

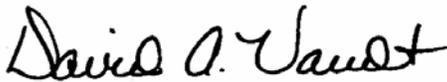
September 1, 2005 through December 7, 2005. The 1,104.25 excess labor hours were billed to ISU at a cost of \$28,535.64. However, ISU has not paid the bills containing these excess labor hours.

In addition, it appears ISU incurred additional over-billings because all labor hours were billed at the highest hourly rate allowed by the contracts with Hinders & Associates. However, because appropriate employee classifications could not be determined using documentation available, any additional amounts over-billed to ISU could not be readily determined.

The procedures described above do not constitute an audit of financial statements conducted in accordance with U.S. generally accepted auditing standards. Had we performed additional procedures, or had we performed an audit of financial statements of the Facilities Planning & Management Department of Iowa State University of Science and Technology, other matters might have come to our attention that would have been reported to you.

Copies of this report have been filed with the ISU Department of Public Safety, the Division of Criminal Investigation, the Story County Attorney's Office and the Attorney General's Office.

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of the Board of Regents' Office of Internal Audits and Iowa State University of Science & Technology during the course of our review.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

May 19, 2006

Iowa State University of Science and Technology
Investigative Summary

Background Information

Iowa State University of Science and Technology (ISU), located in Ames, Iowa, covers more than 1,900 acres and houses in excess of 160 buildings. ISU is comprised of a number of colleges and departments. The Department of Facilities Planning & Management (FP&M) provides the University community with a safe, comfortable and usable physical environment. The term "facilities" refers to all the buildings, grounds, walks, drives, parking lots and utility systems belonging to the University.

FP&M consists of five divisions: Business Services, Facilities Planning, Facilities Services, Support Services and Utilities Services. The Facilities Planning Division provides the following services related to design and construction.

- Planning Services
- Campus Planning
- Capital Planning/Analysis
- Architectural Design Services
- Engineering Services
- Architectural and Engineering (A&E) Services
- Agricultural A&E Services
- Project Management Services
- Construction Management
- Construction Services
- Facilities Inventories and Studies
- Instructional Facilities/Classroom Scheduling
- Space Management
- Contract Administration

Project Management Services includes oversight of services provided by contractors on large scale construction projects at the University, such as the makeover of Snedecor Hall. Project Management Services also includes oversight of smaller scale construction projects, such as window replacements in the Insectary.

During 2000 and 2003, ISU officials solicited proposals to contract for general construction and general contracting work for various construction and renovation projects on campus as individual needs arose. The scope of work specified in the requests for proposals included flat concrete, finish carpentry, painting and glazing. The requests also specified the successful contractor would be able to perform general contracting services with other contractors for services such as electrical, mechanical, fire suppression, temperature controls, access controls and other specialty trades.

The scope also specified total construction costs for the projects covered by the bid were expected to be less than \$25,000 per project. Prices quoted to ISU in response to the request for proposals were to be firm for one year. All billing rates were to be for time worked on site at ISU. The requests also specified any awards made as a result of the requests were for the period of 1 year, but subject to 2 extensions of 1 year each.

Based on a proposal submitted in response to ISU's request, Hinders & Associates of Ames, Iowa was awarded the contract in 2000 for general construction and contracting work. That contract was extended for 2 additional periods of 1 year each, bringing the total term of the contract to July 1, 2000 through June 30, 2003. Hinders & Associates was also awarded the contract after submitting a proposal to ISU's 2003 request. The second contract was also extended for 2 additional periods of 1 year each. The term of the second contract runs from July 1, 2003 through June 30, 2006. The terms of the proposals became the terms of the contract between ISU and Hinders & Associates.

The contract for the period beginning July 1, 2003 contained the following description of the chronological order of events to take place to begin, carry out and complete a typical project under the resulting contract.

- The [FP&M] Project Manager will contact Contractor and ask a representative(s) to visit the job site within 5 working days and survey/estimate a proposed project according to unit prices submitted in proposal.
- Contractor will respond to the Project Manager with a completed Small Project Proposal Cost Sheet and list of subcontractors within 5 working days.
- Contractor will meet with the Project Manager and review the estimate and agree on a price for the work, a projected start and completion date.
- The Project Manager will issue a Small Project Notice to Proceed Form (with a copy to Purchasing) and Contractor will commence work within 10 days of the notice, or as otherwise specified.
- Request for Change Orders will be reviewed and approved by the Project Manager with a copy sent to Purchasing. Contractor will not be reimbursed for unauthorized changes.
- Contractor will work on and complete the project by or before the project completion date.
- Upon completion, Contractor will contact the Project Manager, who will visit the site and make a "punch list" for the project or approve the project. The punch list must be completed within 10 days.
- When all items are completed, the Contractor will submit one original invoice to the Purchasing Department.

In accordance with the terms of the contract, a Project Manager from FP&M is assigned to oversee each approved project. However, each Project Manager is also responsible for oversight of large scale projects at the University. As a result, the amount of oversight typically provided to projects completed by Hinders & Associates was limited.

The contract for the period beginning July 1, 2003 required the contractor to provide the following information when submitting billings for projects:

- Contract Number
- Name of Project/Project Number
- Invoice Number and Date
- Estimated cost
- Amount of invoice

The contract specified "only actual work hours at Work site will be paid time." In addition, the contract required a breakdown of labor rates, materials, equipment, overhead and profit were to be attached to the invoices submitted. Copies of invoices for any materials, rented equipment and subcontractor charges were also to be attached. Also, the contract specified travel time and per diem living expenses were not to be paid under the contract.

Invoices submitted by Hinders & Associates were sent to the accounts payable section of ISU's Accounting Department. The invoices included the information required by the contract. Attached to each invoice was a detailed spreadsheet that included the names of the contractor's employees, the dates they worked on a project at ISU and the number of hours worked on the project each day. Receipts for materials purchased for the project were also attached to the invoices submitted by Hinders & Associates.

Personnel within accounts payable send the original invoices to FP&M for review. The assigned FP&M Project Manager reviews the invoice and signs the original invoice to document approval to pay. A Purchasing Agent within FP&M also reviews the invoice and initials it to document approval before the invoice is routed back to accounts payable for processing. Once the invoice is returned to accounts payable, a voucher is prepared.

After the voucher is prepared by accounts payable, it is sent to the Accounting Department for review. Once reviewed by personnel within the Accounting Department, the voucher and invoice are sent to FP&M. If the invoice is less than \$5,000, the voucher is paid after the 8th working day unless the Accounting Department is notified of a concern. If the invoice totals \$5,000 or more, the accounting manager for FP&M must sign the voucher and return it to the Accounting Department before it is paid.

While reviewing invoices submitted by Hinders & Associates in September 2005, an FP&M employee determined 3 invoices included hours charged to different projects on the same date for certain employees. The 3 invoices were numbered 3891, 3894 and 3895 and were dated September 12, 16 and 13, 2005, respectively. The employees included on more than 1 of the invoices for the same date are summarized in **Exhibit A**, along with the number of hours billed by Hinders & Associates for services of these employees on that date. **Table 1** summarizes the number of hours billed to ISU by Hinders & Associates for 5 employees on August 29, 2005, just 1 of the dates included on the 3 invoices. Based on our review of employee timesheets, it appears Hinders & Associates' employees typically worked between 6 and 10 hours per day.

Table 1

Number of Hours Billed by Employee on August 29, 2005					
Invoice #	Pedersen	Chrisco	Holden	Bates	Kaiser
3891	7.5	7.5	4.0	-	-
3894	7.5	7.5	7.5	7.5	7.5
3895	-	-	7.5	7.5	7.5
Total	15.0	15.0	19.0	15.0	15.0

After reviewing additional invoices from Hinders & Associates, personnel from ISU's Purchasing Department identified a number of instances in which the vendor had billed ISU more than once for work performed by employees. To determine if the billings were appropriate, the Purchasing Department contacted Hinders & Associates and requested payroll records to support the invoices submitted to ISU. By reviewing the payroll records obtained from Hinders & Associates, ISU officials determined invoices submitted to ISU included time charged for employees that did not work on the project identified on the invoice.

After reviewing the payroll records, ISU officials requested assistance from the Board of Regents' Office of Internal Audits. The ISU Department of Public Safety, in conjunction with the Office of Internal Audits, executed a search warrant at Hinders & Associates' office and seized payroll records, employee timesheets, computer files, notations prepared by the bookkeeper and invoices for projects performed at ISU.

Personnel from the Office of Internal Audits reviewed Hinders & Associates invoices paid by ISU during calendar years 2003, 2004 and 2005 and identified billed labor costs exceeding actual labor costs by more than \$400,000. Invoices were reviewed on a calendar year basis because this was consistent with the manner in which Hinders & Associates maintained their payroll records.

Procedures were not performed for invoices submitted by Hinders & Associates prior to January 1, 2003. It was determined by ISU officials the cost of resources required to perform additional procedures would exceed any benefits to be derived.

Due to the nature of the findings identified, we have reviewed the work completed by personnel from the Office of Internal Audits, reperformed certain testing procedures and performed additional testing procedures to determine the completeness and accuracy of the findings included in the report submitted to the Board of Regents. We performed the procedures detailed in the Auditor of State's Report for the period February 3, 2003 through December 7, 2005. At the request of officials of the Attorney General's Office, we have compiled our findings in this report.

Detailed Findings

The procedures identified \$402,837.97 of over-billings paid by ISU between February 3, 2003 and August 31, 2005. The over-billings resulted from Hinders & Associates including 15,702.90 hours of labor on invoices for ISU projects that were not actually performed. In addition, the procedures identified 1,104.25 excess labor hours billed to ISU during the period of September 1, 2005 through December 7, 2005. The 1,104.25 excess labor hours were billed to ISU at a cost of \$28,535.64. However, ISU has not paid the bills containing these excess labor hours.

In addition, it appears ISU incurred additional over-billings because all labor hours were billed at the highest hourly rate allowed by the contracts with Hinders & Associates. However, because appropriate employee classifications could not be determined using documentation available, any additional amounts over-billed to ISU could not be readily determined.

The number of excess hours identified does not include any time billed to ISU for time spent on projects by Tom Hinders, the owner and proprietor of Hinders & Associates. Mr. Hinders did not prepare timesheets. As a result, we were unable to compare the amount of his time billed to ISU to a source document. However, the number of hours billed to ISU for Mr. Hinders did not appear unreasonable.

Table 2 summarizes the excess labor hours billed to ISU and the related costs. The 161 invoices submitted by Hinders & Associates and paid by ISU under the general construction contracts during the period February 3, 2003 through August 31, 2005 are listed in **Exhibit B**. The 28 unpaid invoices for the period September 1, 2005 through December 7, 2005 are listed in **Exhibit C**.

Exhibit	Calendar Year	Actual vs. Billed Time			Net Excess Related Costs
		Hours Billed	Actual Hours	Net Excess Hours Billed[^]	
B Paid Invoices:					
	2003	7,547.65	5,067.50	2,480.15	\$ 65,414.07
	2004	13,313.50	6,758.00	6,555.50	165,675.54
	2005	12,725.75	6,058.50	6,667.25	171,748.36
	Subtotal	33,586.90	17,884.00	15,702.90	402,837.97
C Unpaid Invoices:					
	2005	2,154.00	1,049.75	1,104.25	28,535.64
	Totals	35,740.90	18,933.75	16,807.15	\$ 431,373.61

The number of excess hours identified does not include hours Hinders & Associates under-billed ISU. As illustrated by **Exhibit B**, during the period February 3, 2003 through August 31, 2005 there were 6 invoices under-billing ISU for construction services. The hours billed on the 6 invoices were 123.25 hours less than the amount recorded on the employees' individual timesheets. In addition, as illustrated by **Exhibit C**, the hours billed on 1 invoice received by ISU between September 1, 2005 and December 7, 2005 were 1 hour less than the hours recorded on the employee's timesheet. It appears Hinders & Associates did not bill ISU for these hours in an attempt to not exceed the estimate prepared for the project.

Of the 161 invoices submitted to and paid by ISU, we identified the following:

- The number of hours billed on 3 of the 161 invoices agreed with the employees' timesheets.
- Of the 161 invoices, 2 did not contain a break down by employee. As a result, we are unable to determine the propriety of the number of hours billed on the 2 invoices.
- On 1 invoice the total hours billed was specified by employee, but individual days were not identified. As a result, we are unable to trace the hours to timesheets to determine the propriety of the number of hours billed.
- The invoice for 1 project included time worked by the employees in 2002. Because ISU officials did not obtain employee timesheets for 2002, we are unable to determine the propriety of the number of hours billed on the invoice for the project.
- The remaining 154 invoices did not agree with the individual timesheets prepared and signed by the employees included on the invoice. Of the 154 invoices, 148 included excess hours billed and 6 invoices under-billed ISU for worked performed on various projects.

As stated previously, **Exhibit C** lists 28 unpaid invoices submitted to ISU by Hinders & Associates between September 1, 2005 and December 7, 2005. As illustrated by **Exhibit C**, all but 2 invoices submitted on or after November 29, 2005 agreed with the timesheets prepared and signed by Hinders & Associates' employees. Of the 2 invoices, 1 overbilled ISU by 20.25 hours and 1 underbilled ISU by 1 hour. It appears the invoices dated on or after November 29, 2005 were prepared properly because personnel from Hinders & Associates were aware of the investigation being conducted by ISU officials.

Days Exceeding 20 Hours Billed - During the review of invoices submitted by Hinders & Associates between January 1, 2005 and October 31, 2005, internal auditors identified 83 instances in which the number of hours billed for 11 employees totaled 20 hours or more for a specified date. **Table 3** summarizes the number of instances identified for each of the 11 employees. The **Table** also compares the average hours billed for each employee for the instances identified to the average hours the employee actually worked on ISU projects, determined from their timesheets.

Table 3

Employee	Billed to ISU		Average Hours for Instances Identified	
	# of Days Exceeding 20 Hours	Longest 1 day total	Billed	Actual
Bates	2	21.00 hrs	21.00	8.00
Blessing	4	27.25 hrs	24.06	7.75
Chrisco	6	27.00 hrs	23.91	8.75
Harness	10	24.50 hrs	22.20	7.30
Hayes	2	23.50 hrs	23.00	7.75
Heuton	10	28.50 hrs	22.85	7.80
K. Hinders	3	24.00 hrs	23.33	7.33
Holden	2	22.00 hrs	21.75	8.50
Keiser	25	32.50 hrs	24.06	7.69
Pedersen	15	34.00 hrs	24.70	7.76
Schleif	4	23.00 hrs	22.00	7.00
Total	83			

For 15 of the 83 instances identified, the number of hours billed for an employee exceeded 24 hours for a single day. For example, according to the invoices submitted to ISU, an employee worked 34 hours on both August 5, 2005 and August 12, 2005. Invoices also show another employee worked 27 hours on August 11, 2005 and 26.25 hours on August 12, 2005. Copies of documentation submitted with the invoices submitted by Hinders & Associates for projects the 2 employees reportedly worked on during August 12 are included in **Appendix 1**. **Table 4** summarizes the hours reported by Hinders & Associates for the 2 employees for August 12, 2005

Table 4

Invoice Number	Project	Number of Hours Reported for August 12, 2005	
		Chrisco	Pedersen
3884	Linden Blind Installation	10.75	10.50
3887	Union Drive Community Center	-	8.00
3888	Curtiss Rooms 0013, C0046	8.50	8.50
3889	Snedecor 216	7.00	7.00
Total		26.25	34.00

Rate Billed per Hour - The terms of the contracts established by ISU with Hinders & Associates included the labor rates for each of the classifications included in **Table 5**. The contracts allowed an annual increase not to exceed 3.5%.

Table 5

FY01-FY03 Contract		FY04-FY06 Contract	
Classification	Rate Per Hour	Classification	Rate Per Hour
Journeyman	30.00^	Foreman	\$ 24.89#
Apprentice	27.25	-	-
Laborer	22.75	Laborer	20.25
Laborer/Helper	19.75	Laborer/Helper	17.75

^ - Increased to \$31.05 for fiscal year 2002 (3.5% increase from FY01 rate)

- Increased to \$25.76 for fiscal year 2005 (3.5% increase from FY04 rate)

While the contracts established between ISU and Hinders & Associates allowed for three or more hourly rates based upon employee classifications, Hinders & Associates billed all labor hours for every employee at the highest hourly rate allowed by the contracts. Because it is not expected every employee working on ISU projects would be a Foreman or Journeyman, it is not reasonable for every employee to be billed at the highest hourly rate allowed by the contract.

While Hinders & Associates provided different labor rates for a Journeyman/Foreman and laborers, none of the invoices reviewed differentiated between the classifications, and in all cases the hourly rate charged was that of the journeyman/foreman classification. However, because appropriate employee classifications could not be determined using documentation available, any additional amounts over-billed to ISU cannot be readily determined.

Cost of Materials – Representatives of Hinders & Associates were responsible for procuring any supplies needed for the projects they were to complete for ISU. As previously stated, copies of invoices for any materials, rented equipment and subcontractor charges were also to be attached to the related invoices. In accordance with terms of the 2001-2003 contract, Hinders & Associates was allowed an 8% mark-up on the cost of the materials. The contract with Hinders & Associates for the 2003 – 2006 period allowed for a 6% mark-up.

The Office of Internal Audits determined the cost of materials charged by Hinders & Associates to ISU represented approximately 20% of the total billings. Because of the relatively small amount billed for materials and because Hinders & Associates was required to submit the actual invoices for materials purchased, personnel from the Office of Internal Audits did not attempt to determine if the amount billed to ISU for materials was appropriate.

For invoices submitted to ISU by Hinders & Associates from June 25, 2003 through October 9, 2003 and August 5, 2005 through August 25, 2005, we traced the cost of materials purchased for projects at ISU to vendor invoices to determine if the cost for materials purchased was included on more than one invoice. We judgmentally selected these time periods for testing and intentionally chose a period toward the beginning of the investigation period and a period just prior to the start of the investigation. For the purchases of materials we reviewed, we did not identify any costs billed to ISU more than once or for more than the amount supported by the attached receipts. As a result, we did not expand our testing to additional time periods. However, we identified 20 instances in which Hinders & Associates paid sales tax on materials purchased and passed that cost, along with the applicable mark-up percentage, along to ISU. The 20 instances totaled \$1,228.72.

Documentation From Hinders & Associates' Office – As stated previously, the Office of Internal Audits, in conjunction with ISU's Department of Public Safety, executed a search warrant at Hinders & Associates' office and seized certain records. Seized records included invoices prepared for ISU projects that agreed with employee timesheets and corresponding altered invoices submitted to ISU for the same projects with an increased number of employees and/or hours per employee.

Documentation seized from Hinders & Associates also included electronic spreadsheets summarizing Mr. Hinders' business and personal expenses, as well as a calculation of an hourly billing rate required to meet the identified expenses. Typically, an hourly rate of \$45 was required for the projects completed by the vendor in order to meet business and personal expenses, such as employee salaries, payroll taxes and personal property taxes. Because Hinders & Associates was unable to exceed the maximum hourly rate established in the contract for ISU projects ranging from \$24.89 to \$31.05, it appears the hours billed on invoices for ISU projects were increased in order to cover Mr. Hinders' business and personal expenses.

Appendices 2 through **4** include examples of documents related to projects for which the number of hours and/or employees was increased from the amount recorded on the employees' timesheets. As illustrated by **Appendices**, the bookkeeper calculated the project cost based on a given number of labor hours at 2 different billing rates. The first rate (typically \$45 per hour) identified the amount Hinders & Associates needed to bill for the project to cover certain business and personal expenses and established a "minimum" amount to be billed to ISU for the project. The "maximum" amount to be billed to the project was determined by the estimated cost Hinders & Associates provided to ISU prior to beginning the project. A notation of the estimate is also included on the worksheets prepared by Hinders & Associates. The second rate used by the bookkeeper displays the cost of the project using the contracted hourly rate. **Table 6** summarizes the hours shown on worksheets and other documents obtained from Hinders & Associates that are included in **Appendices 2** through **4**.

Table 6

Appendix	Invoice Number	Project	Number of Hours on Worksheets prepared by Hinders & Associates*		
			Original	Revised	Over-billed
2	3634	Hamilton Hall	372.00	434.75	62.75
3	3895	Vet Med Shelves	28.50	122.00	93.50
4	3904	NSRIC RNS 2183, 2465, 2467, 2112	91.50	241.00	149.50
5	3886	Vet Med 2706	47.50^	429.50	382.00^

* - Net of hours billed for Tom Hinders

^ - Hours varied from employee timesheets by 3 hours.

As illustrated by **Appendices 2** through **4**, the number of hours and/or employees were increased in order to recover additional funds from ISU. Documents included in **Appendix 5** show how the number of hours added to invoice #3886 was increased nearly ten times from the number of hours recorded on employee timesheets, causing the cost of labor hours to increase from \$1,223.60 to \$11,778.76 and the total bill to increase from \$4,989.80 to \$15,544.96. Hinders & Associates estimated this job would cost \$15,600.00.

Also found in the Hinders & Associates' office were hand written notes between Mr. Hinders and the bookkeeper who prepared invoices. As illustrated by **Appendix 5**, the bookkeeper wrote the following regarding invoice #3886: "est [estimate] 15,600; our price @ \$45 = 5,903 (47.5 hrs);

adding 333 hrs includes adding 3 more men = 13,561 – I would need to make the # of guys 10 when there was only 5 actually; What do you want me to do?” The notation “add” was also written across on the notation.

Appendix 6 includes 2 additional documents obtained from Hinders & Associates’ office. The first is handwritten and appears to be the preliminary comparison of the number of labor hours billed to ISU after the investigation began to the number of hours that should have been billed. The second document presents the same information along with the related costs and the notation “This would be the difference if we sent revised bills for all outstanding bills.”

Appendix 7 includes a handwritten document obtained from Hinders & Associates’ office that appears to be a page of instructions prepared by the bookkeeper. During the approximate time period the search warrant was served, the bookkeeper was training a new employee to assume the bookkeeping duties. As illustrated by the **Appendix**, the notes prepared by the bookkeeper direct the new employee to prepare a “copy of bill that’s altered [that] does not include @ [\$]45 hr but does include Tom’s time.” These instructions are consistent with the bills that are included in **Appendices 2** through **5**.

Recommended Control Procedures

As part of our investigation, we reviewed the procedures used by ISU Purchasing and FP&M to process invoices for construction projects. An important aspect of internal control is to establish procedures that provide accountability for assets susceptible to loss from error and irregularities. These procedures provide that the actions of one individual will act as a check of those of another and provide a level of assurance that errors or irregularities will be noted within a reasonable time during the course of normal operations. Based on our findings and observations detailed below, the following recommendations are made to strengthen ISU’s internal controls.

- A. Invoices – Of the 161 invoices submitted by Hinders & Associates from January 1, 2003 through August 31, 2005 and paid by ISU, 2 did not contain a break down by employee as required by the contract established with the vendor. Also, the total hours billed were specified by employee, but individual days were not specified on 1 invoice.

In addition, all labor hours were billed at the highest hourly rate allowed by the contracts with Hinders & Associates.

Recommendation – Procedures should be implemented within the Purchasing and FP&M Departments to ensure all requirements established by purchasing contracts are complied with.

In addition, the invoices should be reviewed prior to payment to ensure the appropriate or reasonable employee classifications are identified and billed at the proper hourly rate.

- B. Sales Tax – During our review of the materials purchased by Hinders & Associates, we identified 20 instances in which the vendor paid sales tax on the purchase and passed that cost, along with the applicable mark-up percentage, to ISU. The 20 instances totaled \$1,228.72.

Recommendation – Procedures should be implemented within the Purchasing and FP&M Departments to ensure all reimbursements for materials costs are exclusive of sales tax charges.

**Special Investigation of
Iowa State University of Science and Technology
Department of Facilities Planning & Management**

Exhibits

**Special Investigation of
Iowa State University of Science and Technology
Department of Facilities Planning & Management**

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Employees Billed to ISU for Multiple Selected Invoices on the Same Date
 For the Period February 3, 2003 through December 7, 2005

		Number of Hours Billed by Employee					
Date	Invoice #	Pedersen	Chrisco	Holden	Kaiser	Bates	Blessing
08/24/05	3891	-	4.50	-	4.50	-	-
	3894	-	9.00	9.00	9.00	9.00	9.00
	3895	-	-	-	-	-	-
08/25/05	3891	6.00	6.00	-	6.00	-	6.00
	3894	8.00	8.00	8.00	8.00	8.00	8.00
	3895	-	-	-	-	-	-
08/26/05	3891	7.50	7.50	-	7.50	-	7.50
	3894	-	6.50	3.00	-	4.50	-
	3895	-	-	-	-	-	-
08/29/05	3891	7.50	7.50	4.00	-	-	-
	3894	7.50	7.50	7.50	7.50	7.50	7.50
	3895	-	-	7.50	7.50	7.50	-
08/30/05	3891	7.50	7.75	-	-	-	7.50
	3894	8.00	8.00	-	8.00	8.00	8.00
	3895	-	-	-	-	-	-
08/31/05	3891	8.50	-	-	-	-	8.50
	3894	-	7.50	6.00	7.50	7.50	7.50
	3895	-	-	8.00	8.00	8.00	-
09/01/05	3891	-	-	-	-	-	-
	3894	-	4.00	4.50	4.50	4.50	4.00
	3895	-	-	6.00	6.00	8.00	-

Iowa State University of Science and Technology
Department of Facilities Planning & Management

Hinders & Associates' Invoices Paid by ISU
For the Period February 3, 2003 through December 7, 2005

Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
02/03/03	3593	Study Lounge Renovation	\$ 5,106.33
02/19/03	3599	Atanasoff Extra	3,874.54
02/19/03	3600	Atanasoff Extra #2	2,524.02
02/27/03	3601	Lagomarcino	4,330.18
02/27/03	3602	Hilton	5,199.52
02/27/03	3603	Hilton Extra	3,562.91
03/04/03	3604	Insectary 110	19,383.72
03/13/03	3606	Davidson 142B	14,705.73
03/25/03	3609	Insectary Window	1,448.38
03/27/03	3611	Vet Med Security Improvements	24,237.56
04/09/03	3617	Durham	3,238.62
04/16/03	3618	Design	17,993.81
05/06/03	3624	Hilton Showcase	14,478.47
05/22/03	3630	Hamilton Hall Laminate	380.38
05/23/03	3632	Hilton Showcase	10,521.00
05/29/03	3634	Hamilton Hall	24,178.34
06/06/03	3638	Ag 450	18,921.90
06/25/03	3640	Vet Med 1024, 1028	8,372.58
06/25/03	3641	Bessey 351	9,111.78
07/22/03	3650	Vet Med Security Improvements Add	1,174.94
07/21/03	3651	Vet Med 2634, 2645, 2645A-B-C	17,807.94
07/21/03	3652	Oak Hall Recreation Rm Floor	9,625.47
07/22/03	3653	Birch Hall/Dana House floor repair	1,443.90
08/07/03	3658	Birch 4295A	1,500.00
08/08/03	3660	Hilton Rm 383B	5,397.62

Labor Hours			Labor Costs		
Billed per Invoice*	Actual per Timesheet	Over/(Under) Billed	Hourly Rate	Over/(Under) Billed	
65.40	61.00	4.40	\$ 31.05	\$	136.62
16.50	15.25	1.25	31.05		38.81
72.75	60.25	12.50	31.05		388.13
71.00	44.50	26.50	31.05		822.83
###	###	###	-		###
59.00	49.75	9.25	31.05		287.21
**	**	**	-		**
277.75	277.25	0.50	31.06		15.53
28.75	27.75	1.00	31.05		31.05
536.50	534.50	2.00	31.05		62.10
87.25	28.75	58.50	31.05		1,816.43
307.00	283.50	23.50	31.05		729.68
344.25	307.00	37.25	31.05		1,156.61
7.50	4.50	3.00	31.05		93.15
13.00	10.50	2.50	31.05		77.63
434.75	372.00	62.75	31.05		1,948.39
399.00	271.00	128.00	31.05		3,974.40
155.50	92.25	63.25	31.05		1,963.91
91.50	55.75	35.75	31.05		1,110.04
#	#	#	-		#
127.50	57.00	70.50	31.05		2,189.03
##	##	##	-		##
#	#	#	-		#
44.00	29.00	15.00	24.89		373.35
136.00	48.25	87.75	26.65		2,338.10

Iowa State University of Science and Technology
Department of Facilities Planning & Management

Hinders & Associates' Invoices Paid by ISU
For the Period February 3, 2003 through December 7, 2005

Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
08/08/03	3661	Honor Building	4,111.14
08/13/03	3662	Communications Bldg.	21,358.41
08/18/03	3663	Friley Post Office	24,945.78
08/19/03	3664	Horticulture 061	14,730.58
09/09/03	3671	Horticulture R0130/R0134	1,893.52
09/08/03	3672	Genetics lab rooms 0001 and 0002	7,357.34
09/09/03	3674	Ag 450 Farm - Classroom Bldg. Addition	1,114.49
09/11/03	3676	Agronomy G533	13,596.61
09/24/03	3677	Vet Med CC1730	24,013.57
09/18/03	3678	Mackay Ceiling Repair	247.75
09/25/03	3680	Mem Union Ramp	5,193.01
10/08/03	3682	Hilton Neon sign removal	201.90
10/09/03	3684	Bessey 0002A	14,117.85
11/14/03	3693	Town Engineering door drag	273.79
11/26/03	3695	Birch Hall Tuckpointing	8,648.88
12/12/03	3698	VMRI 02 room 101	423.33
12/15/03	3699	Alumni Hall windows	<u>22,923.88</u>
Total 2003			<u>393,671.47</u>
01/02/04	3700	Bessey 0034, 0036A and 0037A	10,105.30
01/06/04	3701	Hamilton Hall Misc Renovation	11,421.50
01/13/04	3703	Marston Exterior Repairs & Roof Replacement 1	3,515.02
01/14/04	3704	Davidson Hall - Facility Upgrades	11,808.35
02/09/04	3707	Hamilton Rm 04-1 Remodeling	24,941.81
02/03/04	3708	Friley 2417 IT Offices	8,812.55

Labor Hours				Labor Costs
Billed per Invoice*	Actual per Timesheet	Over/(Under) Billed	Hourly Rate	Over/(Under) Billed
130.00	92.00	38.00	24.89	945.82
543.00	277.50	265.50	24.89	6,608.30
674.00	589.00	85.00	26.56	2,257.33
264.75	168.50	96.25	25.37	2,441.87
30.50	17.50	13.00	24.89	323.57
132.50	36.00	96.50	24.89	2,401.89
31.00	19.00	12.00	24.89	298.68
421.00	268.75	152.25	24.89	3,789.50
708.50	216.75	491.75	24.89	12,239.66
9.00	9.00	-	-	-
104.00	64.50	39.50	24.89	983.16
7.50	5.00	2.50	24.89	62.23
369.50	109.25	260.25	24.89	6,477.62
11.00	4.50	6.50	24.89	161.79
263.00	182.25	80.75	24.89	2,009.87
1.50	-	1.50	24.89	37.34
572.00	378.25	193.75	24.89	4,822.44
7,547.65	5,067.50	2,480.15		65,414.07
309.00	138.00	171.00	24.89	4,256.19
334.50	244.00	90.50	24.89	2,252.55
108.50	36.50	72.00	24.89	1,792.08
330.25	153.25	177.00	24.89	4,405.53
601.75	461.25	140.50	24.89	3,497.05
247.00	73.50	173.50	24.89	4,318.42

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Hinders & Associates' Invoices Paid by ISU
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Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
02/04/04	3709	Hoover 2240B	2,870.22
02/18/04	3711	Knapp - Storm Commons	17,713.19
02/25/04	3712	Vet Meds BSL-3, 2146	14,414.89
03/03/04	3715	Science	16,108.50
03/03/04	3716	Knapp Storm - add sound insulation	349.52
03/04/04	3717	Knapp Storm - add paint	367.13
03/25/04	3718	Bessey 9, 37, 40	9,146.89
03/26/04	3721	Communications, Room 2087	18,296.16
03/30/04	3722	Forker Rm 178N	4,814.38
03/30/04	3723	Bessey Herbarium Rms 344, 360	7,630.20
04/05/04	3726	Curtiss Hall Roof Repair/Window	3,756.55
04/27/04	3732	Camponile Stairway	23,919.00
05/04/04	3736	Bessey Greenhouse Floor Leveling	1,014.19
05/11/04	3737	Structured Parking - East Parking Deck	7,290.87
05/18/04	3738	Vet Med 1471	23,986.88
05/20/04	3739	VMRI 2 Extra	5,471.45
06/16/04	3742	VMRI 2 103 - 105	24,987.80
05/27/04	3744	Vet Med LAR corridor 1389	119.32
05/27/04	3745	Carver Hall Rm 244	970.71
05/27/04	3747	General Classroom Physics 91	1,929.26
05/28/04	3748	Geneneral Classroom Physics Corridor C0003	683.06
06/15/04	3751	VMRI 2 101-M110	24,983.67
06/14/04	3752	Physics Rm 5	2,239.30
06/17/04	3753	Bessey Herbarium	15,305.69
06/18/04	3754	Vet Med 2177	8,161.24

Labor Hours			Hourly Rate	Labor Costs
Billed per Invoice*	Actual per Timesheet	Over/(Under) Billed		Over/(Under) Billed
84.00	22.50	61.50	24.89	1,530.74
**	**	**	-	**
415.00	132.00	283.00	24.89	7,043.87
469.00	170.25	298.75	24.89	7,435.89
16.00	10.00	6.00	24.89	149.34
13.25	-	13.25	24.89	329.79
179.00	73.25	105.75	24.89	2,632.12
447.75	295.50	152.25	24.89	3,789.50
153.00	119.50	33.50	24.89	833.82
192.00	68.50	123.50	24.89	3,073.92
99.00	70.50	28.50	24.89	709.37
514.50	312.50	202.00	24.89	5,027.78
26.00	13.00	13.00	24.89	323.57
162.00	68.00	94.00	24.89	2,339.66
483.00	295.50	187.50	24.89	4,666.88
157.50	124.00	33.50	24.89	833.82
429.00	262.00	167.00	24.89	4,156.63
2.50	2.50	-	-	-
34.50	13.00	21.50	24.89	535.14
60.50	21.50	39.00	24.89	970.71
23.00	14.00	9.00	24.89	224.01
514.75	326.50	188.25	24.89	4,685.54
57.00	23.50	33.50	24.89	833.82
507.00	163.75	343.25	24.89	8,543.49
160.25	63.50	96.75	24.89	2,408.11

Iowa State University of Science and Technology
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Hinders & Associates' Invoices Paid by ISU
For the Period February 3, 2003 through December 7, 2005

Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
07/15/04	3758	Music Balcony Waterproofing & Repairs	3,711.92
07/21/04	3762	Howe Hall 1328 1364	15,302.26
07/21/04	3763	Wallace Wilson Smoke Dampers	10,654.92
07/28/04	3764	Maple Bulkhead	2,857.24
08/03/04	3765	4H Youth Bldg. Roof Sample	404.57
08/05/04	3768	VMRI 2 Additional Remodel	17,472.38
08/06/04	3769	Town Engineering	19,686.03
08/12/04	3771	Carver Co Lab	2,611.87
08/13/04	3772	Hamilton Hall Renovation	22,776.89
08/13/04	3773	Hamilton Walkway	4,766.02
08/17/04	3774	Mackay Paint	1,872.93
08/17/04	3775	Mackay Knee Wall	1,987.50
08/19/04	3776	Gen. Classrooms & Auditoriums - Physics Room 4	1,481.30
08/25/04	3777	Town Eng - shelving	6,627.12
08/27/04	3778	Indoor MultiPractice Facility	13,406.36
08/30/04	3779	Science 2 - Rm 039A	1,492.63
09/03/04	3782	SW Complex Backstop	15,866.50
09/22/04	3784	Hamilton 07	12,432.89
09/16/04	3785	MacKay 207 Miscellaneous	6,318.51
09/28/04	3786	Birch/Welch Halls - Replace window/tuckpoint	5,937.69
09/23/04	3787	Hamilton 07 - projection screen	1,216.24
10/07/04	3790	Parking Structure - East Deck	14,761.85
10/07/04	3791	Extension 4H Youth Building	6,709.07
10/07/04	3792	Hilton Coliseum - Basketball Office	511.72

Labor Hours				Labor Costs
Billed per Invoice*	Actual per Timesheet	Over/(Under) Billed	Hourly Rate	Over/(Under) Billed
114.75	59.75	55.00	25.01	1,375.48
302.50	130.25	172.25	25.59	4,407.36
163.75	37.75	126.00	25.60	3,225.32
96.50	26.50	70.00	25.76	1,803.20
5.50	3.00	2.50	25.76	64.40
497.75	339.50	158.25	25.30	4,004.31
322.50	227.00	95.50	25.69	2,453.12
74.50	15.50	59.00	25.76	1,519.84
511.25	241.25	270.00	25.42	6,862.11
60.50	-	60.50	25.76	1,558.48
54.50	54.50	-	-	-
**	**	**	-	**
50.00	22.75	27.25	25.50	695.00
136.50	109.50	27.00	25.76	695.52
314.00	32.50	281.50	25.76	7,251.44
29.00	7.50	21.50	25.70	552.54
163.50	10.00	153.50	25.76	3,954.16
325.50	118.00	207.50	25.76	5,345.20
165.00	118.50	46.50	25.76	1,197.84
191.50	75.75	115.75	25.76	2,981.72
31.50	17.00	14.50	25.76	373.52
68.50	22.00	46.50	25.76	1,197.84
122.25	78.75	43.50	25.76	1,120.56
14.25	12.00	2.25	25.76	57.96

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Hinders & Associates' Invoices Paid by ISU
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Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
10/07/04	3793	Carver Hall Tile	5,234.85
10/12/04	3794	Kildee paint rms 1240, 1240A, 1240C, 1240D	13,303.17
10/13/04	3796	Beyer Hall - Room 0113C	22,757.36
10/27/04	3799	MacKay Hall FSHN Lab Renovation	336.64
12/16/04	3800	Communication 2079, 2079A, 2089, 2091	5,820.34
11/23/04	3804	Science II room 504A	24,963.12
11/30/04	3805	University Village building #165 - window replacement	23,504.44
12/22/04	3810	University Village Laundromat	3,439.63
Total 2004			<u>597,360.56</u>
01/03/05	3812	University Village Window Replacement #156	18,459.81
01/04/05	3813	University Village Window Replacement #160	18,343.04
01/12/05	3815	Knapp Storm Door Cut	6,893.15
01/18/05	3817	Memorial Union 0131	24,994.96
01/24/05	3818	Howe Hall Wind Tunnel Screen	13,835.65
01/25/05	3819	Hoover Hall West Entry Doors	1,708.14
01/31/05	3822	Vet Med 1010	5,906.20
02/01/05	3823	Curtiss Hall, Room 130	4,284.89
02/10/05	3824	Vet Med 2261A	20,741.22
02/08/05	3825	Knapp/Storms Hall Ceiling & Ramp C1144	6,465.86
02/05/05	3826	Extension 4H Youth Bldg. Rm 1020	955.84
02/08/05	3827	Hilton NE Women's Restroom	2,496.48
02/11/05	3828	Vet Med 1222 B, L, E	5,772.45
02/22/05	3829	Gerdin Restrooms	15,732.14
02/23/05	3830	Women's Softball bleacher modifications	1,231.98

Labor Hours				Labor Costs
Billed per Invoice*	Actual per Timesheet	Over/(Under) Billed	Hourly Rate	Over/(Under) Billed
164.75	105.25	59.50	25.76	1,532.72
424.75	145.50	279.25	25.76	7,193.48
522.00	309.50	212.50	25.76	5,474.00
3.50	3.00	0.50	25.76	12.88
**	**	**	-	**
615.00	422.00	193.00	25.76	4,971.68
554.75	204.50	350.25	25.76	9,022.44
82.75	37.25	45.50	25.76	1,172.08
13,313.50	6,758.00	6,555.50		165,675.54
429.50	161.00	268.50	25.76	6,916.56
425.50	92.00	333.50	25.76	8,590.96
225.00	47.50	177.50	25.76	4,572.40
832.25	548.00	284.25	25.76	7,322.28
440.50	240.50	200.00	25.76	5,152.00
21.50	8.50	13.00	25.76	334.88
196.50	59.50	137.00	25.76	3,529.12
106.00	75.50	30.50	25.76	785.68
316.25	172.75	143.50	25.76	3,696.56
131.00	83.50	47.50	25.76	1,223.60
31.50	15.00	16.50	25.76	425.04
81.75	52.00	29.75	25.76	766.36
124.50	70.50	54.00	25.76	1,391.04
351.75	139.00	212.75	25.76	5,480.44
23.00	9.00	14.00	25.76	360.64

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Hinders & Associates' Invoices Paid by ISU
For the Period February 3, 2003 through December 7, 2005

Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
03/04/05	3831	Beyer Steam Rm Floor	287.83
03/15/05	3833	Buchanan Hall Renovation	16,391.24
03/15/05	3834	Ext 4H Youth Bldg. - Rm 1141 conf. rm.	957.94
03/16/05	3835	Howe Hall Wind Tunnel - control platform	18,476.92
03/17/05	3836	SW Athletic Complex - Softball Pressbox	6,485.46
03/24/05	3837	Vet Med 2256 plus change order 1/28	24,997.98
03/29/05	3838	Carver Hall Renovation	5,782.13
04/11/05	3839	Softball pads	896.79
04/11/05	3840	Reiman Gardens - Roof Gutters	957.75
04/27/05	3843	Alumni Hall exterior balconies	23,586.18
04/27/05	3844	Pearson cabinets	1,731.57
05/20/05	3847 ^	Biomass - Nevada	18,114.46
05/20/05	3847 ^	Roberts Hall Blind Installation	1,957.76
05/11/05	3849	Knapp Storm Door Cut	7,645.22
05/19/05	3852	Pearson phase 2	13,494.51
05/19/05	3853	Welch blinds	2,936.64
06/02/05	3856	Curtiss Wm 102 (Men's Toilet Remodel)	8,593.30
06/06/05	3858	Schilletter Bldg. 53 window replacement	24,999.76
06/07/05	3859	Oak/Elm Kitchen Ceiling	15,627.83
06/17/05	3860	Lied Recreational Center Inspection	725.64
06/16/05	3862	Carver Hall Misc Repairs - Mikl Parsons	869.65
06/16/05	3864	Barton Hall Blind Installation	1,906.24
06/27/05	3866	Vet Med 1304	5,105.80
07/13/05	3868	HNSB Room 108	489.63

Labor Hours			Hourly Rate	Labor Costs
Billed per Invoice*	Actual per Timesheet	Over/(Under) Billed		Over/(Under) Billed
5.00	2.50	2.50	25.76	64.40
376.75	151.00	225.75	25.76	5,815.32
27.75	20.00	7.75	25.76	199.64
561.00	335.50	225.50	25.76	5,808.88
160.00	89.00	71.00	25.76	1,828.96
755.50	598.00	157.50	25.76	4,057.20
181.00	51.50	129.50	25.76	3,335.92
28.50	17.00	11.50	25.76	296.24
26.50	18.00	8.50	25.76	218.96
834.25	407.00	427.25	25.76	11,005.96
**	**	**	-	**
274.25	151.50	122.75	25.76	3,162.04
69.00	27.50	41.50	25.76	1,069.04
179.50	89.50	90.00	25.76	2,318.40
432.00	154.00	278.00	25.76	7,161.28
105.00	64.50	40.50	25.76	1,043.28
120.75	21.00	99.75	25.76	2,569.56
428.75	376.75	52.00	25.76	1,339.52
472.00	259.50	212.50	25.76	5,474.00
20.00	5.00	15.00	25.76	386.40
29.00	16.00	13.00	25.76	334.88
66.50	20.50	46.00	25.76	1,184.96
62.00	24.50	37.50	25.76	966.00
7.50	4.50	3.00	25.76	77.28

Iowa State University of Science and Technology
Department of Facilities Planning & Management

Hinders & Associates' Invoices Paid by ISU
For the Period February 3, 2003 through December 7, 2005

Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
07/14/05	3869	Science 207	1,777.32
07/08/05	3870	Science 215	968.02
07/15/05	3872	Vet Med Display Boards	1,429.68
08/05/05	3873	Friley Hall Director Apartment	18,947.92
08/05/05	3875	Birch Blind Installation	3,612.84
08/08/05	3876	Bessey 0339	9,777.02
08/10/05	3877	Vet Med 1490	24,992.24
08/16/05	3880	Atanasoff 215	13,253.94
08/16/05	3881	Lied Locker	493.59
08/16/05	3882	Lied M389	1,987.19
08/16/05	3883	Lied Recreation Center Room 153-5	14,894.82
08/16/05	3884	Linden Blind Installation	5,209.96
08/17/05	3885	Pearson Ceiling	3,034.09
08/22/05	3886	Vet Med 2706	15,544.96
08/22/05	3887	Union Drive Community Center	1,147.52
08/25/05	3888	Curtiss Rms. 0013, C0046	8,780.54
08/25/05	3889	Snedecor 216	14,574.12
Total 2005			491,265.81
Grand Total			\$ 1,482,297.84

* - Net of hours charged for Tom Hinders.

^ - Hinders & Associates submitted 2 invoices numbered 3847.

- Invoice does not break down by employee. As a result, we are unable to compare invoice to individual employee timesheets.

- Invoice has total by employee, but not broken down by day. As a result, we are unable to compare invoice to individual employee timesheets.

- Timesheets were not obtained by internal audit for 2002. As a result, we are unable to compare invoice to individual employee timesheets. Invoice included 100.75 labor hours*.

** - Hinders & Associates did not bill ISU for all hours recorded on employee timesheets.

It appears this was done so the estimate for the project was not exceeded.

Labor Hours				Labor Costs
Billed per Invoice*	Actual per Timesheet	Over/(Under) Billed	Hourly Rate	Over/(Under) Billed
60.50	6.00	54.50	25.76	1,403.92
23.50	-	23.50	25.76	605.36
47.50	9.50	38.00	25.76	978.88
409.00	67.00	342.00	25.76	8,809.92
140.25	42.00	98.25	25.76	2,530.92
193.50	104.00	89.50	25.76	2,305.52
801.75	529.75	272.00	25.76	7,006.72
248.00	54.75	193.25	25.76	4,978.12
**	**	**	-	**
50.00	30.75	19.25	25.76	495.88
283.50	189.50	94.00	25.76	2,421.44
202.25	52.75	149.50	25.76	3,851.12
55.00	33.75	21.25	25.76	547.40
429.50	44.50	385.00	25.76	9,917.60
36.00	14.00	22.00	25.76	566.72
302.00	79.00	223.00	25.76	5,744.48
484.50	122.75	361.75	25.76	9,318.68
12,725.75	6,058.50	6,667.25		171,748.36
33,586.90	17,884.00	15,702.90		\$ 402,837.97

Iowa State University of Science and Technology
Department of Facilities Planning & Management

Invoices Submitted by Hinders & Associates But Not Paid by ISU
For the Period February 3, 2003 through December 7, 2005

Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
09/09/05	3890	Physics - Add Display cabinets	\$ 394.59
09/12/05	3891	Vet Med 1304	4,938.72
09/14/05	3893	Science 211	2,587.51
09/13/05	3895	Vet Med Shelves	4,111.28
09/14/05	3896	Friley Hall Director Blinds	834.49
09/14/05	3897	Barton Dovr Hardware	1,604.93
09/16/05	3894	Jack Trice Stadium - Replay booth	23,727.11
09/23/05	3901	Carver Hall Door Stops	1,161.74
09/23/05	3902	WOI - Communications	4,014.66
09/28/05	3904	NSRIC RNS 2183, 2465, 2467, 2112	9,623.33
09/30/05	3903	Vet Med 1006/1008	14,468.23
09/30/05	3905	Lied Rec 178	218.16
10/13/05	3907	Science 2 Rooms 2002, 233	2,921.01
10/07/05	3909	Bessey 263	1,173.96
10/14/05	3906	Vet Med 1010	8,956.06
10/21/05	3911	Knapp Storm Lower Dock	5,360.73
10/24/05	3910	Design Corridor	18,458.84
10/25/05	3912	Stadium Countertops	2,547.95
11/29/05	3916	Barton Lounge 131	4,531.86
11/29/05	3922	Kildee 1350's	3,937.58
11/29/05	3924	Carver Benches	496.96
11/29/05	3926	Barton Hall #446	725.08 @
12/06/05	3921	Vet Med 2226	4,597.69
12/06/05	3925	Fredrickson Court	768.40 @

Labor Hours			Hourly Rate	Labor Costs	
Billed per Invoice*	Actual per Timesheet	Over / (Under) Billed		Over / (Under) Billed	Amount that Should Have Been Billed
11.00	4.50	6.50	\$25.76	\$ 167.44	227.15 ^
137.75	39.00	98.75	25.76	2,543.80	2,394.92 #
91.00	28.00	63.00	25.76	1,622.88	964.63 ^
122.00	28.50	93.50	25.76	2,408.56	1,702.72 ^
19.50	7.50	12.00	25.76	309.12	525.37 ^
45.50	22.50	23.00	25.76	592.48	1,012.45 ^
536.00	110.50	425.50	25.76	10,960.88	12,766.23 #
39.00	5.50	33.50	25.76	862.96	298.78 ^
117.25	60.50	56.75	25.76	1,461.88	2,552.78 #
241.00	91.50	149.50	25.76	3,851.12	5,772.21 ^
255.25	254.75	0.50	25.76	12.88	14,455.35
5.00	5.00	-	-	-	218.16
100.50	61.50	39.00	25.76	1,004.64	1,916.37
33.00	11.00	22.00	25.76	566.72	607.24
136.50	118.00	18.50	25.76	476.56	8,479.50
109.00	87.50	21.50	25.76	553.84	4,806.89
557.50	557.50	-	-	-	18,458.84
52.00	31.50	20.50	30.16	618.24	1,929.71
107.75	87.50	20.25	25.76	521.64	4,010.22
116.00	116.00	-	-	-	3,937.58
14.00	14.00	-	-	-	496.96
-	-	-	-	-	725.08
125.25	125.25	-	-	-	4,597.69
-	-	-	-	-	768.40

Iowa State University of Science and Technology
Department of Facilities Planning & Management

Invoices Submitted by Hinders & Associates But Not Paid by ISU
For the Period February 3, 2003 through December 7, 2005

Per the Invoice

Invoice Date	Invoice Number	Project	Total Invoice
12/07/05	3918	Fick Observatory	5,475.99
12/07/05	3914	Outward Bound	4,621.26
12/07/05	3919	Physics 2nd Floor	13,205.88
12/07/05	3920	Childcare Facility	4,381.23
Total			<u>\$ 149,845.23</u>

* - Net of hours charged for Tom Hinders.

^ - See **Appendix 6**. Amount that should have been billed agrees with the amount identified in the bookkeeper's notations.

@ - Cost of materials only, no labor charged.

- Amount does not agree with notation found in **Appendix 6** because the calculation in **Appendix 6** includes hours not supported by employee timesheets and mathematical errors.

** - Hinders & Associates did not bill ISU for all hours recorded on employee timesheets. It appears this was done so the estimate for the project was not exceeded.

Labor Hours			Hourly Rate	Labor Costs	
Billed per Invoice*	Actual per Timesheet	Over / (Under) Billed		Over / (Under) Billed	Amount that Should Have Been Billed
**	**	**	-	**	5,475.99
108.25	108.25	-	-	-	4,621.26
358.50	358.50	-	-	-	13,205.88
57.50	57.50	-	-	-	4,381.23
3,496.00	2,391.75	1,104.25		\$ 28,535.64	121,309.59

Iowa State University of Science and Technology
Department of Facilities Planning & Management

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director
Ernest H. Ruben, CPA, Senior Auditor II
Sheila M. Jensen, Senior Auditor
Tiffany A. Gossweiler, Assistant Auditor



Tamera S. Kusian, CPA
Deputy Auditor of State

Appendices

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Submitted with Invoices #3884, 3887, 3888 and 3889

Invoice #3884

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

ISU-Gen Contr 2004-2005 #2

T & M - Linden Blinds bill

DATE	HOLDEN	BLESSING	CHRISCO	JACOB	KAISER	HEUTON	SCHLEIF	PEDERSEN	HAYES
23-Jun	2.00	6.50		7.00	7.00	6.50	7.00	7.00	7.00
12-Aug	3.00	8.00	10.75	8.50	11.00	10.50	10.50	10.50	11.00
13-Aug	7.00	7.50	7.50	8.00	8.00	7.50	8.00	7.50	7.50
TOTAL									
HOURS:	12.00	22.00	18.25	23.50	26.00	24.50	25.50	25.00	25.50
TOTAL:		202.25							
				ESTIMATE #		\$5,225.00			
				RELEASE #		FM23731			
				LABOR:		\$5,209.96			
				MATERIALS:		\$0.00			
				6% MARK-UP:		\$0.00			
				TOTAL:		\$5,209.96			
JOURNEYMAN		\$25.76/HR	Electric Jaspering =		\$0.00				
LABORER		\$20.96/HR	Hutson Plumbing		\$0.00				
LABORER/HELPER		\$18.37/HR	TOTAL SUBCONTRACTORS =		\$0.00				
QTY	INV #	ITEM	PRICE	COST					
LOWE'S									
				\$0.00					
				\$0.00					
				\$0.00					
				SUBTOTAL:		\$0.00			
				TOTAL:		\$0.00			

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Submitted with Invoices #3884, 3887, 3888 and 3889

Invoice #3887

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

ISU-Gen Contr 2004-2005 #2

T & M - Union Dr Comm Ctr BILL

DATE	HINDERS	PEDERSEN	BATES													
10-Aug	2.00	2.00	2.00													
11-Aug		8.00	8.00													
12-Aug	1.50	8.00	8.00													
TOTAL																
HOURS:	3.50	18.00	18.00	0.00	0.00	0.00										
	TOTAL:	39.50														
			ESTIMATE =	\$2,500.00												
			RELEASE #	FM23735		8/8-8/12										
<table border="1"> <tr> <td>LABOR:</td> <td>\$1,017.52</td> </tr> <tr> <td>SUBCONTRACTORS:</td> <td>\$0.00</td> </tr> <tr> <td>MATERIALS:</td> <td>\$122.64</td> </tr> <tr> <td>6% MARK-UP:</td> <td>\$7.36</td> </tr> <tr> <td>TOTAL :</td> <td>\$1,147.52</td> </tr> </table>							LABOR:	\$1,017.52	SUBCONTRACTORS:	\$0.00	MATERIALS:	\$122.64	6% MARK-UP:	\$7.36	TOTAL :	\$1,147.52
LABOR:	\$1,017.52															
SUBCONTRACTORS:	\$0.00															
MATERIALS:	\$122.64															
6% MARK-UP:	\$7.36															
TOTAL :	\$1,147.52															
	JOURNEYMAN	\$25.76/HR		Electric Jaspering =	\$0.00											
	LABORER	\$20.96/HR		Hutson Plumbing	\$0.00											
	LABORER/HELPER	\$18.37/HR														
				TOTAL SUBCONTRACTORS =	\$0.00											
QTY	INV #	ITEM		PRICE	COST											
SHERWIN WMS																
1	3570-1	PM200 LTX FL EXTRA		15.75	\$15.75											
1	3570-1	COLORACCENTS ULTRA		19.45	\$19.45											
1	3570-1	PM200 LTX ES DEEP		16.45	\$16.45											
1	3570-1	COLORACCENTS ULTRA		19.45	\$19.45											
1	3605-5	PM200 LTX ES DEEP		16.45	\$16.45											
3	3605-5	PREMIUM ROLLER COVER		4.00	\$12.00											
2	3605-5	PLASTIC TRAY LINER		0.85	\$1.70											
LOWE'S																
1	4066	JH 4 OZ GORILLA G		6.88	\$6.88											
1	56765	USG 20MIN E-SAND		10.04	\$10.04											
1	56765	QUART FAST N FINA		4.47	\$4.47											
				SUBTOTAL:	\$122.64											
				TOTAL:	\$122.64											

Received

AUG 24 2005

Purchasing

Appendix 1

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Submitted with Invoices #3884, 3887, 3888 and 3889

Invoice #3888

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

ISU-Gen Contr 2004-2006 #2

T & M - Curtis 0013 0046 BLL

DATE	HINDERS	BATES	CHRISCO	HOLDEN	KAISER	PEDERSEN	HARNISS
8-Aug	1.00			1.00			
9-Aug	1.75		8.50	8.50		8.50	
10-Aug	1.90	8.00	8.00	8.00		8.00	
11-Aug	2.00	8.00	8.00	8.00		8.00	
12-Aug	1.00	8.50	8.50	8.50		8.50	
15-Aug	1.50	8.00	8.00	8.00	8.00		8.00
16-Aug	1.50	8.00	8.00	8.00	8.00		8.00
17-Aug		8.00	8.00	8.00	8.00		
18-Aug	2.00	10.00	10.00		10.00		
19-Aug	2.00	9.00	9.00	8.00	8.00		9.00
TOTAL							
HOURS:	14.25	85.00	74.00	62.00	43.00	39.00	25.00
TOTAL:		316.25					
			ESTIMATE =	\$7,820.00	PLUS ADD =	\$1,000.00	
			RELEASE #	FM 23198	NEW EST =	\$8,820.00	
			LABOR:	\$8,148.60		add \$1,000	
			SUBCONTRACTORS:	\$0.00		paint Room 13 & 100	
			MATERIALS:	\$899.08		ok per Guyton	
			9% MARK-UP:	\$35.98			
			TOTAL:	\$8,780.64			
							SCOFFIELD
JOURNEYMAN	\$25.78/HR			Electric Jaspeling =		\$0.00	
LABORER	\$20.86/HR			Hudson Plumbing		\$0.00	
LABORER/HELPER	\$18.37/HR						
				TOTAL SUBCONTRACTORS =		\$0.00	
QTY	INV #	ITEM		PRICE	COST		
LOWE'S							
1	4882	3" ECONOMY CHP B		1.34	\$1.34		
1	4882	2" ECONOMY CHP B		0.94	\$0.94		
1	4882	GALLON ORBG CONTA		16.97	\$16.97		
4	4882	2X4X8 2B SPF SE		2.69	\$10.76		
1	4882	3M"48X87 HIGH DE		18.83	\$18.83		
2	4133	8" PRO CLASSIC MO		3.97	\$7.94		
18	88035	HEX LAG SCREWS		0.24	\$3.64		
15	88035	FLAT WASHERS		0.07	\$1.12		
4	86819	2X4X8 SPF SELECT		2.89	\$10.76		
1	4183	5/8" LAG SHIELD		8.73	\$8.73		

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Submitted with Invoices #3884, 3887, 3888 and 3889

Invoice #3889

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

ISU-Gen Contr 2004-2005 #2

T & M - Snedecor 218 bill

DATE	HINDERS	PEDERSEN	CHRISCO	HOLDEN	KAISER	HARNISS	BLESSING
1-Aug	2.00	8.00	8.00		8.00	8.00	8.00
2-Aug	2.00	8.00	8.00		8.00	8.00	8.00
3-Aug	2.50	8.00	8.00		8.00	8.00	8.00
4-Aug	1.50	8.00	8.00		8.00	8.00	8.00
5-Aug	1.00	7.50	7.50		7.50	7.50	7.50
8-Aug		5.50	5.50		5.50	5.50	5.50
9-Aug	1.50	7.00	7.00		7.00	7.00	7.00
10-Aug	1.00	8.00	8.00		8.00	8.00	8.00
11-Aug	1.75	8.00	8.00		8.00	8.00	8.00
12-Aug	1.00	7.00	7.00		7.00	7.00	7.00
15-Aug	1.00	7.50	7.50			8.00	8.00
16-Aug	1.50	5.00	5.00		8.00	8.00	8.00
17-Aug	2.00	6.50			7.00	7.00	7.00
18-Aug	1.75	4.00		8.00		7.00	
TOTAL							
HOURS:	20.50	98.00	87.50	8.00	90.00	105.00	98.00
						door, frame provided	
TOTAL:		505.00					
			ESTIMATE =	\$14,600.00			
			RELEASE #	FM 22886			
			LABOR:	\$13,008.80			
			SUBCONTRACTORS:	\$780.00			
			MATERIALS:	\$696.72			
			8% MARK-UP:	\$88.60			
			TOTAL:	\$14,574.12			
JOURNEYMAN	\$26.78/HR				Electric Jaspering =	\$780.00	#4624
LABORER	\$20.98/HR				Hutson Plumbing	\$0.00	
LABORER/HELPER	\$18.37/HR						
					TOTAL SUBCONTRACTORS =	\$780.00	
QTY	INV #	ITEM			PRICE	COST	
LOWE'S							
2	4192	CORNERBEAD 1 1/4"			1.39	\$2.78	
1	4835	QT ORIG CONTACT C			5.97	\$5.97	
1	4835	2" ECONOMY CHIP B			0.94	\$0.94	
1	4836	1" ECONOMY CHIP B			0.68	\$0.68	
1	4417	USG 20MIN E-SAND			10.04	\$10.04	
1	4417	DUROCK INTERIOR T			3.54	\$3.54	
1	4417	1/4" STAPLE - 125			3.23	\$3.23	
4	56789	METL TRAC 3 5/8X1			4.26	\$17.04	
1	56789	10 OZ ALEX PAINTE			1.24	\$1.24	
2	56789	VP-TRS WSH LATH S			7.02	\$14.04	

Received

AUG 29 2005

Purchasing

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3634

HINDERS & ASSOCIATES
 CONSTRUCTION SERVICES, INC.

FRM TIMESHEETS

ISU-GEN CONTR 2002-03 #2

T & M - HAMILTON 2nd FLR

DATE	HINDERS	PEDERSEN	SMITH	JOHNSON	BARRETT	GAAST	
16-Apr		7.00	8.00		5.50	8.00	
17-Apr		2.50	8.00		2.50	8.00	
18-Apr			8.50			8.00	
19-Apr							
20-Apr							
21-Apr			8.00			8.00	
22-Apr			8.00			8.00	
23-Apr			8.00			8.00	
24-Apr			8.00			8.00	
25-Apr			8.00			5.50	
26-Apr							
27-Apr							
28-Apr			8.00			8.00	
29-Apr			8.00			8.00	
30-Apr			8.00			8.00	
1-May			8.00			8.00	
2-May			8.50			8.00	
3-May							
4-May							
5-May			8.00			8.00	
6-May			8.50			8.50	
7-May			8.00			8.25	
8-May			8.50			9.50	
9-May			8.75			8.25	
10-May							
11-May							
12-May			8.00			8.00	
13-May			8.50			8.00	
14-May			6.00			6.00	
15-May							
23-May			3.75			7.50	
24-May			8.00				
TOTAL							
FRS:	0.00	9.50	181.00	0.00	8.00	173.50	
TOTAL:		372.00			\$18,655.00	ORIGINAL BID	
					\$4,146.00	CHG TO 2X2 ADD ELEC	
				ESTIMATE =	\$18,655.00	\$300.00	UPGRADE TILES
					\$700.00	\$756.00	JOHNSON CONTROLS
				RELEASE #	FM 13254	\$23,857.00	LINE RAN IN FLOOR
							INSTEAD OF ABOVE
LABOR:		\$14,880.00	\$11,550.60				
SUBCONTRACTORS:		\$6,401.58	\$6,401.58				
MATERIALS:		\$2,207.34	\$2,207.34				
3% MARK-UP:		\$688.71	\$688.71				24068
TOTAL:		\$24,177.63	\$20,848.23				
JOURNEYMAN	\$31.05/HR		MECHANICAL EST =	\$1,801.47			
APPRENTICE	\$28.72/HR		ELECTRIC EST =	\$4,600.11			
LABORER	\$23.55/HR		JOHNSON CONTROLS =	\$0.00		SEE REDMOND	
			TOTAL SUBCONTRACTORS =	\$6,401.58			
QTY	INV #	ITEM	PRICE	COST			
LOWE'S							
6	74174	2X6X8 TOP CHOICE	3.05	\$18.30			
1	74174	3/16X23/4 HEXHD CONCRE	7.47	\$7.47			
4	74174	116-GRAY VULKEM 10.1 OZ	3.97	\$15.88		44.15	
5	74183	10 OZ KILZ UPSHOT AERO	3.98	\$19.90		21.09	
1	74625	2-1/2" F-16 FINISH NAIL	10.97	\$10.97		11.63	
1	75512	5 GALLON WHITE BUCKET	3.33	\$3.33			
2	75512	ANGLED SANDING SPONGE	2.48	\$4.96			
1	75512	PLAYSAND 50#	2.42	\$2.42			
1	75512	1/2PT WD FINISH 241 FRU	3.27	\$3.27			
1	75512	PLASTIC WOOD NATURAL	3.46	\$3.46			
1	75512	FINAL STRIPPING PAD	1.64	\$1.64			
1	75512	ULTRA PLN 119 50LB (SLF	20.00	\$20.00			
2	75512	116-GRAY VULKEM 10.1 OZ	3.97	\$7.94		49.84	
1	75692	16.8 OZ HI-STRENGTH SPR	12.47	\$12.47		13.22	

Total number of hours per employees' timesheets

Original worksheet prepared by Hinders & Associates using hours from employees' timesheets.

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3634

**HINDERS & ASSOCIATES
 CONSTRUCTION SERVICES INC.**

545 MAIN STREET, SUITE 202
 AMES, IA 50010
 (515)233-6979 - Fax (515)233-8903

WEEKLY
TIME SHEET

Employee Name:

2003
MAK BARNETT *gntd*

Comments:

Please list all extras.

Date	Job Name	Start Time	End Time	Lunch?	Total Hrs.
4-21	802 10 th Roofin' Ripoff HILTON w/ CRAIG	8:00	12:00	—	4
4-22	802 10 th - RIPOFF, REFELT, CLEAN	7:45	4:15	1:15	8.25
4-23	802 10 th - STICK ROOF BEGIN NEW SHINGLES RUN ERRANDS FOR METAL, NAILS, JOBS	8:00	2:00	30	5.5
4-24	<i>paym</i> OFFICE NEWS RM 2 HALL PREP, REPAIR PAINT, CLEAN	8:00	4:00	30	7.5
4-25	<i>paym</i> OFFICE NEWS RM DITTO TOA'S BATH PREP, W/T + ROLL TRASH HOUZ	8:00	2:30	30	6
		2:30	5:00		2.5
					.30
	No hours for Hamilton Hall at ISU.				
WEEKLY TOTAL:					36.25

Employee Signature:

Mak Barnett

Date:

4-25-03

Cont emp 19.75
 P-16.5

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3634

HINDERS & ASSOCIATES
CONSTRUCTION SERVICES INC.

545 MAIN STREET, SUITE 202
 AMES, IA 50010
 (515)233-6979 - Fax (515)233-8903

WEEKLY
TIME SHEET

Employee Name: MARK SPRRIN

Comments:

2003
mid
 As I did last year, I gave Ames High Baseball #25 - "HINDERS + ASSOC" will be mentioned when Tyler comes up to bat during memorial day "marathon" game. Please list all extras. noted

Date	Job Name	Start Time	End Time	Lunch?	Total Hrs.
4-28	10 th fix SAVE NAILS, STOCK ROOF, YARD, LOWES	8:00	10:00		3
	DOWN PAINT	1:00	12:45		2.75
4-29	DOWN PAINT	8:00	9:45		1.75
	BOZ STOCKING, CLEANING, ETC	10:45	4:45	30	5.5
5-1	10 th - RETURN LOWES 7 BUNDLES / STOP RETURN TOOLS / ETC	8:00	10:00		2
5-30	PUSSER MASH + PATCH	1:00	2:30	30	3.5
5-1	DOWN PAINT	7:45	9		1.25
	PUSSER MASH / SAND / PATCH	9:00	11:30		2.5
	PAINT				4.75
	BOZ 10 th SIGNUP + LOAD ROOF WASTE	8:00	4:45	30	5.25
5-2	10 th CHURCH	8:00	4:30	30	8.00
WEEKLY TOTAL:					34.8

\$1.75
7.25
5.5
8.5
4.75
8.5

Employee Signature: [Signature]

Date: 5/5/03

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3634

**HINDERS & ASSOCIATES
 CONSTRUCTION SERVICES INC.**

545 MAIN STREET, SUITE 202
 AMES, IA 50010
 (515)233-6979 - Fax (515)233-8903

WEEKLY
 TIME SHEET

Employee Name: PG-2 MARK B

Comments: As I've expressed to Tom, these are guys willing to accept criticism + direction Please list all extras.

Date	Job Name	Start Time	End Time	Lunch?	Total Hrs.
5/22	U-V PICKUP PAINT, APTS 139 D, 29B, 30A, 55B	800	430	30	8
6/23	UV FINISH 55B, 118A+D, 34A, 27B* I CAULK AROUND TUB AT 118A + D ~ (15 MINUTES) *27B IS 3/4 DONE	800	400	30	7.5
<u>They all have good attitude</u>					
					39.5
WEEKLY TOTAL:					<u>42</u>

Employee Signature: MB

Date: 5/23

please send some new time sheets via Tom

**Iowa State University of Science and Technology
Department of Facilities Planning & Management**

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3895

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

0577.xls

T & M - Vet Med shelves

DATE	HINDERS	BATES	SCHLEIF	HOLDEN	KAISER	HAYES
29-Aug				4.00		
30-Aug						
31-Aug				2.00		
1-Sep				6.00		
2-Sep				5.00		
6-Sep	10.75	3.00		8.50		
TOTAL						
HOURS:	10.75	3.00	0.00	25.50	0.00	0.00
TOTAL:	39.25					8/24-9/9
				ESTIMATE = \$4,200.00		
				RELEASE # FM 23995		
				@45/HR @ 25.76		
				LABOR: \$1,766.25	\$1,011.08	
				SUBCONTRACTORS: \$0.00	\$0.00	
				MATERIALS: \$652.49	\$652.49	
				6% MARK-UP: \$39.15	\$39.15	
				TOTAL: \$2,457.89	\$1,702.72	
				JOURNEYMAN \$25.76/HR	Electric Jaspering =	\$0.00
				LABORER \$20.96/HR	Hutson Plumbing	\$0.00
				LABORER/HELPER \$18.37/HR		
					TOTAL SUBCONTRACTORS =	\$0.00
QTY	INV #	ITEM	PRICE	COST		
LOWE'S						
3	56404	48" WHT DURA TRK U	5.47	\$16.41		
7	56404	70" WHT DURA TRK	7.96	\$55.72		
4	56404	25" WHT DURA TRAK	3.76	\$15.04		
62	56404	11.5 WHT DURA TRK	2.97	\$184.14		
1	56335	11.5 WHT DURA TRK	2.97	\$2.97		
1	4678	PLAST.ANCH. #8-10	2.97	\$2.97		
2	4678	HAMR DRILLBIT 1/4	3.56	\$7.12		
8	4678	#8X2 PHFL TAP SCR	0.98	\$7.84		
3	56214	11.5 WHT DURA TRK	2.97	\$8.91		
1	56214	48" WHT DURA TRK U	5.47	\$5.47		
2	4546	48" WHT DURA TRK U	5.47	\$10.94		
3	4566	SPRING TOGGLE BOL	5.38	\$16.14		
2	4566	8 X 1-1/2 PH FL H	4.26	\$8.52		
2	4566	10 X 2 PH FL HD SM	4.81	\$9.62		
SHOP						
1		4X8 SHEET FORMICA	53.00	\$53.00		
GC WOODWORKING						
1	7987	5 SHEETS 1" MELAMINE	192.00	\$192.00		
CARVER ACE HARDWARE						
45	6199626	NUT & BOLTS	0.16	\$7.20		
1	6199626	NUT & BOLTS	28.99	\$28.99		
1	6199626	NUT & BOLTS	2.50	\$2.50		
1	6200541	NUT & BOLTS	16.99	\$16.99		
			SUBTOTAL:	\$652.49		
			TOTAL:	\$652.49		

Original worksheet prepared by Hinders & Associates using hours from employees' timesheets.

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3895

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

0577.xls

T & M -Vet Med shelves bill

DATE	HINDERS	BATES	CHRISCO	HOLDEN	KAISER	HAYES
29-Aug	2.50	7.50		7.50	7.50	
30-Aug						
31-Aug	1.75	8.00		8.00	8.00	
1-Sep	2.00	8.00		6.00	6.00	6.00
2-Sep	2.50	8.00		8.00	8.00	
6-Sep	2.00	8.50		8.50	8.50	
TOTAL						
HOURS:	10.75	40.00	0.00	38.00	38.00	6.00
		TOTAL: 132.75				8/24-9/9
			ESTIMATE = \$4,200.00			
			RELEASE # FM 23995			
		LABOR: \$3,419.64				
		SUBCONTRACTORS: \$0.00				
		MATERIALS: \$652.49				
		6% MARK-UP: \$39.15				
		TOTAL: \$4,111.28				
JOURNEYMAN	\$25.76/HR			Electric Jaspering =		\$0.00
LABORER	\$20.96/HR			Hutson Plumbing		\$0.00
LABORER/HELPER	\$18.37/HR					
				TOTAL SUBCONTRACTORS =		\$0.00
QTY	INV #	ITEM	PRICE	COST		
LOWE'S						
3	56404	48" WHT DURA TRK U	5.47	\$16.41		
7	56404	70" WHT DURA TRK	7.96	\$55.72		
4	56404	25" WHT DURA TRAK	3.76	\$15.04		
62	56404	11.5 WHT DURA TRK	2.97	\$184.14		
1	56335	11.5 WHT DURA TRK	2.97	\$2.97		
1	4678	PLAST. ANCH. #8-10	2.97	\$2.97		
2	4678	HAMR DRILLBIT 1/4	3.56	\$7.12		
8	4678	#8X2 PHFL TAP SCR	0.98	\$7.84		
3	56214	11.5 WHT DURA TRK	2.97	\$8.91		
1	56214	48" WHT DURA TRK U	5.47	\$5.47		
2	4546	48" WHT DURA TRK U	5.47	\$10.94		
3	4566	SPRING TOGGLE BOL	5.38	\$16.14		
2	4566	8 X 1-1/2 PH FL H	4.26	\$8.52		
2	4566	10 X 2 PH FL HD SM	4.81	\$9.62		
SHOP						
1		4X8 SHEET FORMICA	53.00	\$53.00		
GC WOODWORKING						
1	7987	5 SHEETS 1" MELAMINE	192.00	\$192.00		
CARVER ACE HARDWARE						
45	6199626	NUT & BOLTS	0.16	\$7.20		
1	6199626	NUT & BOLTS	28.99	\$28.99		
1	6199626	NUT & BOLTS	2.50	\$2.50		
1	6200541	NUT & BOLTS	16.99	\$16.99		
			SUBTOTAL:	\$652.49		
			TOTAL:	\$652.49		

Detailed worksheet attached to invoice submitted to ISU. Hours were increased for Bates, Holden, Kaiser and Hayes.

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3904

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

0577.xls

T & M -NSRIC

DATE	HINDERS	BATES	CHRISCO	HOLDEN	KAISER	HARNES
12-Sep		4.00	8.50			8.50
13-Sep			8.50			8.00
14-Sep			11.00	1.00		11.00
15-Sep			8.50			8.00
16-Sep			7.50			7.00
TOTAL						
HOURS:	0.00	4.00	44.00	1.00	0.00	42.50
TOTAL:		91.50				
			ESTIMATE =	\$10,800.00		complete & billed
			RELEASE #	FM 23931		by 9/30
			@45/HR	@ 25.76		bill as done per Bart
			LABOR:	\$4,117.50	\$2,357.04	
			SUBCONTRACTORS:	\$350.00	\$350.00	waiting on block
			MATERIALS:	\$2,531.63	\$2,531.63	
			6% MARK-UP:	\$172.90	\$172.90	
			TOTAL :	\$7,172.03	\$5,411.57	
	JOURNEYMAN	\$25.76/HR		Electric Jaspering =		\$350.00
	LABORER	\$20.96/HR				
	LABORER/HELPER	\$18.37/HR				
				TOTAL SUBCONTRACTORS =		\$350.00
QTY	INV #	ITEM	PRICE	COST		
LOWE'S						
1	8575	3/16X11/4 HEXHD C	10.47	\$10.47		
1	8575	GYP READY MIX 12#	5.18	\$5.18		
1	37340	7/64" 2PK SP BLK S	2.37	\$2.37		
1	41033	10" ALL PURP GLU S	5.97	\$5.97		
1	41685	1.5"X60YD SAFE RE	5.98	\$5.98		
1	41685	ADHESIVE APPLICAT	3.18	\$3.18		
3	41685	PREM WALL BS ADH	3.67	\$11.01		
1	41685	7PK PAINTERS TOWE	2.88	\$2.88		
1	41685	9X3/8" WOVEN COVE	2.97	\$2.97		
1	56148	12 GAUGE WIRE 100	7.38	\$7.38		
1	56148	27 CAL STRIP RED	8.43	\$8.43		
1	56422	USG 20MIN E-SAND	10.04	\$10.04		

Original worksheet prepared by Hinders & Associates using hours from employees' timesheets.

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3904

HINDERS ASSOCIATES
 CONSTRUCTION SERVICES, INC.

0577.xls

T & M -NSRIC BILL

DATE	HINDERS	BATES	CHRISCO	HOLDEN	PEDERSON	SCHLEIF	HAYES	SMITH
12-Sep	2.50	8.50	5.50	5.50	8.00	8.50	8.50	8.50
13-Sep	2.00	8.50	8.50	4.00	8.00	8.00	8.00	8.00
14-Sep	3.00	11.00	11.00	1.00	11.00	11.00	11.00	11.00
15-Sep	1.50					8.00	8.00	8.00
16-Sep	2.00	7.50	7.50		7.50	7.50	7.00	7.00
27-Sep	1.00							
28-Sep	2.00							
TOTAL								
HOURS:	14.00	35.50	32.50	10.50	34.50	43.00	42.50	42.50
TOTAL:		255.00	ESTIMATE = \$10,800.00		complete & billed by 9/30			
			RELEASE # FM 23931					
		LABOR:		\$6,568.80				
		SUBCONTRACTORS:		\$350.00				
		MATERIALS:		\$2,531.63				
		6% MARK-UP:		\$172.90				
		TOTAL :		\$9,623.33				
JOURNEYMAN	\$25.76/HR	Electric Jaspering =		\$350.00				
LABORER	\$20.96/HR							
LABORER/HELPER	\$18.37/HR							
				TOTAL SUBCONTRACTORS =		\$350.00		
QTY	INV #	ITEM	PRICE	COST				
LOWE'S								
1	8575	3/16X11/4 HEXHD C	10.47	\$10.47				
1	8575	GYP READY MIX 12#	5.18	\$5.18				
1	37340	7/64" 2PK SP BLK S	2.37	\$2.37				
1	41033	10" ALL PURP GLU S	5.97	\$5.97				
1	41685	1.5"X60YD SAFE RE	5.98	\$5.98				
1	41685	ADHESIVE APPLICAT	3.18	\$3.18				
3	41685	PREM WALL BS ADH	3.67	\$11.01				
1	41685	7PK PAINTERS TOWE	2.88	\$2.88				
1	41685	9X3/8" WOVEN COVE	2.97	\$2.97				
1	56148	12 GAUGE WIRE 100	7.38	\$7.38				
1	56148	27 CAL STRIP RED	8.43	\$8.43				
1	56422	USG 20MIN E-SAND	10.04	\$10.04				
1	56422	1 7/8X300' WHT FB	6.18	\$6.18				
1	56442	4 1/2" HP MASONRY	14.58	\$14.58				

Detailed worksheet attached to invoice submitted to ISU. Hours were changed for all employees and employees were added.

Iowa State University of Science and Technology
Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3886

HINDERS ASSOCIATES
CONSTRUCTION SERVICES, INC.

0577.xls

T & M - Vet Med

DATE	HINDERS	PEDERSEN	HARNNESS	HOLDEN	CHRISCO	HEUTON	BATES	SCHLEIF	KAISER
		HAYES				KYLE			
19-Jul	4.00	13.00			6.50				6.50
20-Jul	5.00	15.50	7.50		8.00	16.00	7.50	7.50	
21-Jul		16.00	7.50		8.00	15.50	8.00	8.00	8.00
26-Jul	2.50	15.00	7.50						
27-Jul	2.50	16.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
28-Jul	4.00	15.00	7.00	6.50		8.00	8.00	8.00	8.00
4-Aug	6.00	15.00	7.50	7.50	7.50	7.50	7.50	7.50	7.50
5-Aug	3.75	16.00	8.00	8.00		8.00			8.00
TOTAL									
HOURS:	27.75	121.50	53.00	30.00	38.00	63.00	39.00	39.00	46.00
TOTAL:		457.25							
					ESTIMATE =	\$15,600.00			
					RELEASE #	FM 22819			
					LABOR:	\$11,778.76			6/30-8/10
					CONTRACTORS:	\$2,300.80			
					MATERIALS:	\$1,252.22			
					MARK-UP:	\$213.18			
					TOTAL :	\$15,544.96			
JOURNEYMAN		\$25.76/HR			Electric Jaspering =	\$1,900.80			#4510
LABORER		\$20.96/HR			Hutson Plumbing	\$0.00			
LABORER/HELPER		\$18.37/HR			Stein Heating =	\$400.00			#3098
					TOTAL SUBCONTRACTORS =	\$2,300.80			
QTY	INV #	ITEM			PRICE	COST			
SHERWIN WMS									
1	2185-8	PRO BLOCK PRIMER			4.45	\$4.45			
1	2177-5	1GAL UTIL BUCKET			2.14	\$2.14			
1	2177-5	PAINT THIN-GAL EZ			7.73	\$7.73			
2	2177-5	MOHAIR COVER 9"			3.75	\$7.50			
1	2177-5	HVY DUTY PRO FRAME			3.59	\$3.59			
1	2177-5	180 SNDBLS BTN CTS			3.69	\$3.69			
1	2177-5	METAL TRAY 9"			2.79	\$2.79			
1	2310-3	PRCLASSIC ALK SATIN			25.75	\$25.75			
2	2550-3	CNTL RUST-DOVER WH			3.99	\$7.98			
RIST AND ASSOCIATES									
1	28367	MODEL AP-FR FIRE RATED ACCESS PA			360.00	\$360.00			
GOLDEN VALLEY SUPPLY									
1	9517	SANDRIFT 3/4X2'X2'			64.456	\$64.46			
LOWE'S									
2	4488	ADHESIVE APPLICAT			3.18	\$6.36			
1	4488	3/16X23/4 FH CONC			16.47	\$16.47			
1	4488	PREM WALL BS ADH			3.47	\$3.47			

Appendix 4

Detailed worksheet attached to invoice submitted to ISU. Hours were increased for all employees and employees were added. Invoice shows nearly 10 times more hours than recorded on employees' timesheets.

Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office for Invoice #3886

- INVOICE # 3886

→ Union Dr bill - est 2500 -
our price @ 45 = 805.00 (15 hrs)
adding 24 1/2 hrs = 1147 -
39 1/2 total
ok or do I add more hours?
like a 3rd guy?

→ Vert mud 2700 est 15,600
our price @ 45 = 5903 - (47.5 hrs)
adding 333 hrs includes adding 3 more men
= 13561 -
I would need to
make the # of guys 10
when there were only 5 actually.
What do you want me to do?

122305

26212.37

25360

Notations made by Hinders & Associates' bookkeeper regarding increasing hours and/or number of employees on invoice numbers 3887 and 3886.

**Iowa State University of Science and Technology
Department of Facilities Planning & Management**

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office Regarding Outstanding Bills

no comp
no collisions

Um shelves	4111.28	1702.72	14 th
Science	25875.1	964.63	14 th
UM 1304	4938.72	4294.62	12 th
Physics	394.59	227.15	9 th
Baths	1604.93	1012.45	11 th
Fully	834.49	525.37	16 th
Food Drive	23727.11	12779.11	23 rd
Wol	4014.66	2523.53	23 rd
Law	1161.74	298.78	23 rd
NSRIC	9623.33	5772.21	23 rd
	52998.36	30500.57	

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copies of Documents Obtained from Hinders & Associates' Office Regarding Outstanding Bills

Internal auditor's notations

Page 1

JOBS					
VM SHELVES	3895	4111.28		1702.72	2408.56
SCIENCE	3893	2587.51		964.63	1622.88
VM 1304	3891	4938.72		4294.62	644.1
PHYSICS	3890	394.59		227.15	167.44
BARTON	3897	1604.93		1012.45	592.48
FRILEY	3896	834.49		525.37	309.12
JACK TRICE	3894	23727.11		12779.11	10948
WOI	3902	4014.66		2923.53	1091.13
CARVER	3901	1161.74		298.78	862.96
NSRIC	3904	9623.33	7.5.10	5772.21	3851.12
		52998.36		30500.57	22497.79
					22497.79

added full lock

This would be the difference if we sent revised bills for all outstanding bills.

Copies of invoice numbers 3895 and 3904 and related documents are included on pages 46 through 49.

Iowa State University of Science and Technology
 Department of Facilities Planning & Management

Copy of Instructions for New Bookkeeper Obtained from Hinders & Associates' Office

Bids

- Shortcut to Bids
 - Open existing
 - Save As - 2005 Bids - Rename
 - Type bid
 - Put in letterhead - forward - face-up
 - Print
- Save As Word Doc
bottom-up

Bills - ISU

- copy of all inv. - in order on spreadsheet
 - copy of bill that's altered does not include
 - cover sheet on letterhead @45 hr but does include
- *Anything we send out we keep copy Tom's time.
 *Double check w/ QB

Monthly:

- To Accountant:
- 2 bank statements
 - 5 reports
 - deposits, disbursements, AIR, AIP, payroll register

Paychecks

- Print Paysheet (Excel)
 - QB
 - Payroll
 - v dates
 - v - hours
 - Create
- Enter hours : review checks